

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 1) Good marketing is no accident, but a result of careful planning and 1) _____
A) selling.
B) research.
C) strategies.
D) execution.
E) tactics.
- 2) Marketing is both an "art" and a "science"—there is constant tension between the formulated side of 2) _____
marketing and the _____ side.
A) selling
B) behaviour
C) management
D) forecasting
E) creative
- 3) When Big Rock Brewery of Calgary sought to evoke westerners' nostalgia by using the best of the 3) _____
labels created two decades ago, they were using which particular marketing strategy?
A) retromarketing
B) market segmentation
C) eco-marketing
D) performance marketing
E) financial marketing
- 4) Marketing management is 4) _____
A) monitoring the profitability of the companies products and services.
B) identifying and meeting human and social needs.
C) the art and science of choosing target markets and getting, keeping, and growing customers
through creating, delivering, and communicating superior customer value.
D) a set of processes for creating, communicating, and delivering value to customers.
E) developing marketing strategies to move the company forward.
- 5) _____ takes place when at least one party to a potential exchange thinks about the means of 5) _____
achieving desired responses from other parties.
A) Targeting
B) Forecasting
C) Marketing management
D) Distribution
E) Segmentation

- 6) When IKEA noticed that people wanted good furniture at a substantially lower price and created knockdown furniture, they demonstrated marketing savvy and turned a private or social need into a(n) _____ 6) _____
- A) profitable business opportunity.
 - B) product development.
 - C) invention.
 - D) market need.
 - E) customer want.
- 7) As economies advance, a growing proportion of their activities focuses on the production of _____ 7) _____
- A) places
 - B) events
 - C) experiences
 - D) services
 - E) products
- 8) _____ actively work to build a strong, favourable, and unique image in the minds of their target publics. 8) _____
- A) Properties
 - B) Experiences
 - C) Durable goods
 - D) Shopping goods
 - E) Organizations
- 9) The Toronto Zoo represents _____ marketing: customers view animals in their natural habitats. 9) _____
- A) goods
 - B) experiential
 - C) celebrity
 - D) event
 - E) services
- 10) _____ goods constitute the bulk of most countries' production and marketing efforts. 10) _____
- A) Durable
 - B) Physical
 - C) Event
 - D) Impulse
 - E) Service
- 11) School and universities, encyclopedias, nonfiction books, and magazines all produce and distribute which type of entity that can be marketed? 11) _____
- A) Information
 - B) Places
 - C) Celebrities
 - D) Organizations
 - E) Properties
- 12) Charles Revson of Revlon observed: "In the factory, we make cosmetics; in the store, _____." 12) _____
- A) we make profits
 - B) we sell quality
 - C) we challenge competitors
 - D) we sell hope
 - E) we implement ads

- 13) A _____ is someone seeking a response (attention, a purchase, a vote, a donation) from another party, called the _____. 13) _____
A) celebrity; audience
B) salesperson; customer
C) marketer; prospect
D) politician; voter
E) fund raiser; contributor
- 14) In _____ – consumers may share a strong need that cannot be satisfied by an existing product. 14) _____
A) irregular demand
B) declining demand
C) negative demand
D) latent demand
E) non-existent demand
- 15) In _____ – more customers would like to buy the product than can be satisfied. 15) _____
A) irregular demand
B) negative demand
C) latent demand
D) excessive
E) overfull demand
- 16) Marketers often use the term _____ to cover various groupings of customers. 16) _____
A) demographic segment
B) buying power
C) social class position
D) people
E) market
- 17) Yasmine is very upset that she can't get tickets to the upcoming Rolling Stones concert. "Why do they keep advertising the show if you can't get tickets?" wonders Yasmine. Which of the following demand states applies to Yasmine's situation? 17) _____
A) full demand
B) latent demand
C) overfull demand
D) unwholesome demand
E) nonexistent demand
- 18) When Jack purchases his air conditioning unit in the winter to avoid the high prices found in the summer, he is exhibiting _____ demand. 18) _____
A) irregular B) impulse C) latent D) declining E) negative
- 19) If a female consumer hates smoking and is willing to pay an extra tax just to help eliminate smoking in her city, she is exhibiting _____ with respect to her views toward smoking. 19) _____
A) declining demand
B) non-existent demand
C) unwholesome demand
D) negative demand
E) latent demand

- 20) Canada's oil industry falls under which of the five market types in the modern exchange economy? 20) _____
- A) manufacturer market
 - B) intermediary market
 - C) consumer market
 - D) government market
 - E) resource market
- 21) Much of a brand's strength depends on developing a superior product and backing it with engaging communications in which of these key customer markets? 21) _____
- A) nonprofit markets
 - B) consumer markets
 - C) government markets
 - D) global markets
 - E) business markets
- 22) Companies selling mass consumer goods and services such as soft drinks, cosmetics, air travel, and athletic shoes and equipment spend a great deal of time trying to establish a superior brand image in markets called 22) _____
- A) consumer markets.
 - B) nonprofit and governmental markets.
 - C) service markets.
 - D) business markets.
 - E) global markets.
- 23) In business markets, advertising can play a role, but a stronger role may be played by the sales force, _____, and the company's reputation for reliability and quality. 23) _____
- A) distribution
 - B) brand image
 - C) promotion
 - D) performance
 - E) price
- 24) Global marketers face additional challenges and must also decide 24) _____
- A) how to help buyers achieve higher revenue.
 - B) how to develop a superior product and packaging.
 - C) how to price carefully due to limited purchasing power.
 - D) how to prepare the lowest bids.
 - E) how to adapt their product and service features to each country.
- 25) Mohan Sawhney has proposed the concept of _____ to describe a cluster of complementary products and services that are closely related in the minds of consumers but are spread across a diverse set of industries. 25) _____
- A) horizontal integration
 - B) synchronized marketing
 - C) betamarket
 - D) metamarket
 - E) vertical integration

- 26) MAC Cosmetics trains their artists to collaborate with customers so that each one feels she's had an authentically artistic experience. This is an example of which major societal force behind the new marketing realities? 26) _____
- A) network information technology
 - B) industry convergence
 - C) consumer resistance
 - D) heightened competition
 - E) retailer transformation
- 27) The _____ promises to lead to more accurate levels of production, more targeted communications, and more relevant pricing. 27) _____
- A) age of globalization
 - B) age of deregulation
 - C) industrial age
 - D) production age
 - E) information age
- 28) Many countries have _____ industries to create greater competition and growth opportunities. 28) _____
- A) scientifically segmented
 - B) regulated
 - C) open-market
 - D) created mass market
 - E) deregulated
- 29) Customers today perceive fewer real product differences, show less brand loyalty, and are becoming more sensitive to 29) _____
- A) engaging communication.
 - B) price and quality.
 - C) point-of-purchase messaging.
 - D) customer service.
 - E) direct response techniques.
- 30) Rising promotion costs and shrinking profit margins are the result of 30) _____
- A) heightened competition.
 - B) changing technology.
 - C) globalization.
 - D) privatization.
 - E) deregulation.
- 31) Industry boundaries are blurring at an incredible rate as companies are recognizing that new opportunities lie at the intersection of two or more industries—this is called 31) _____
- A) heightened competition.
 - B) industry convergence.
 - C) customization.
 - D) acquisition.
 - E) globalization.

- 32) In response to giant retailers and category killers, entrepreneurial retailers are building entertainment into stores with coffee bars, lectures, demonstrations, and performances. They are marketing a(n) _____ rather than a product assortment. 32) _____
- A) intangible benefit(s)
 - B) experience
 - C) customer delight
 - D) customer value
 - E) total service solution
- 33) In response to threats from such companies as AOL, Amazon, Yahoo, eBay, E'TRADE, and dozens of others, established manufacturers and retailers became "brick-and-click" oriented by adding online services to their existing offerings. This process became known as 33) _____
- A) e-collaboration.
 - B) e-commerce.
 - C) reintermediation.
 - D) disintermediation.
 - E) new market synchronization.
- 34) Many brick-and-click competitors became stronger contenders in the marketplace than the pure-click firms because they had a larger pool of resources to work with and 34) _____
- A) direct selling capability.
 - B) better prices.
 - C) greater value.
 - D) well-established brand names.
 - E) one-on-one communications.
- 35) The _____ is practised most aggressively with unsought goods, goods that buyers normally do not think of buying, such as insurance, encyclopedias, and funeral plots. 35) _____
- A) marketing concept
 - B) product concept
 - C) selling concept
 - D) holistic marketing concept
 - E) production concept
- 36) When online dot.coms, such as TD Waterhouse and Chapters.ca cut out the majority of middlemen that normally would participate in the exchange process, they were advocating 36) _____
- A) every-day-low prices.
 - B) disintermediation.
 - C) supply-chain conglomeration.
 - D) category killers.
 - E) reintermediation.
- 37) Under which of the following company orientations toward the marketplace would we expect to find the "better mousetrap" fallacy? 37) _____
- A) product concept
 - B) production concept
 - C) holistic marketing concept
 - D) selling concept
 - E) marketing concept

- 38) If marketers are characterized as "gardening" rather than "hunting," the _____ is most likely to be the concept the marketers are following. 38) _____
- A) production concept
 - B) marketing concept
 - C) selling concept
 - D) product concept
 - E) social responsibility concept
- 39) When 3M, HP, and Motorola practise researching or imaging latent needs of consumers through a "probe-and-learn" process, they are most likely using which of the following marketing orientations with respect to their consumers? 39) _____
- A) selling orientation
 - B) supply-side orientation
 - C) proactive marketing orientation
 - D) reactive market orientation
 - E) promotion orientation
- 40) Dell Computer doesn't prepare a perfect computer for its target market. Instead, it provides product platforms on which each person customizes the features he or she desires in the computer. This is an example of a company embracing the _____ 40) _____
- A) marketing concept.
 - B) service concept.
 - C) selling concept.
 - D) production concept.
 - E) product concept.
- 41) The _____ concept holds that consumers will favour those products that offer the most quality, performance, or innovative features. 41) _____
- A) production
 - B) marketing
 - C) holistic marketing
 - D) selling
 - E) product
- 42) The _____ concept holds that consumers and businesses, if left alone, will ordinarily not buy enough of the organization's products. 42) _____
- A) holistic marketing
 - B) production
 - C) marketing
 - D) product
 - E) selling
- 43) Several scholars have found that companies who embrace the marketing concept achieve superior performance. This was first demonstrated for companies practicing a _____—understanding and meeting customers' expressed needs. 43) _____
- A) impulsive market orientation
 - B) reactive market orientation
 - C) holistic market orientation
 - D) proactive marketing orientation
 - E) total market orientation

- 44) Companies that practise both a reactive and proactive marketing orientation are implementing a _____ and are likely to be the most successful. 44) _____
- A) customer focus
 - B) total market orientation
 - C) confrontation process
 - D) competitive, customer focus
 - E) external focus
- 45) According to Theodore Levitt, who drew a perceptive contrast between the selling and marketing concepts, _____ is preoccupied with the need to convert products into cash. 45) _____
- A) direct marketing
 - B) holistic marketing
 - C) selling
 - D) marketing
 - E) service marketing
- 46) The marketing concept holds that the key to achieving organization goals consists of the company being more effective than competitors in creating, delivering, and communicating 46) _____
- A) superior customer value.
 - B) the lowest prices.
 - C) a better mousetrap.
 - D) superior supply channels.
 - E) unbeatable selection.
- 47) The selling concept is practised most aggressively with 47) _____
- A) unsought goods.
 - B) branded products and services.
 - C) trendy items.
 - D) business products.
 - E) packaged goods.
- 48) The _____ concept is based on the development, design, and implementation of marketing programs, processes, and activities that are broad in scope and interdependent. 48) _____
- A) social marketing
 - B) performance marketing
 - C) niche marketing
 - D) relationship marketing
 - E) holistic marketing
- 49) _____ marketing has the aim of building mutually satisfying long-term relations with key parties such as customers, suppliers, distributors, and other marketing partners in order to earn and retain their business. 49) _____
- A) Relationship
 - B) Demand-based
 - C) Direct
 - D) Synthetic
 - E) Holistic

- 50) Companies who form a _____ collect information on each customer's past transactions, demographics, psychographics, and media and distribution preferences. 50) _____
- A) sales network
 - B) integrated network
 - C) holistic union
 - D) marketing network
 - E) supply-chain network
- 51) Increasingly, competition is not between companies but between 51) _____
- A) holistic marketers.
 - B) marketing networks.
 - C) brands.
 - D) supply chains.
 - E) relationships.
- 52) One traditional depiction of marketing activities is in terms of the marketing mix or four Ps. The four Ps are characterized as being 52) _____
- A) product, production, price, and place.
 - B) product, positioning, place, and price.
 - C) product, price, promotion, and place.
 - D) promotion, place, positioning, and price.
 - E) place, promotion, production, and positioning.
- 53) The four Ps represent the sellers' view of the marketing tools available for influencing buyers. From a buyer's point of view, each marketing tool is designed to deliver a customer benefit. A breakdown of marketing activities that centres on customers has four dimensions – SIVA, which stands for 53) _____
- A) situation, importance, variability, and awareness.
 - B) service, investment, variety, and alternatives.
 - C) solution, information, value, and access.
 - D) sales, interaction, voice, and availability.
 - E) satisfaction, intention, verity, and accountability.
- 54) Holistic marketing incorporates _____, ensuring that everyone in the organization embraces appropriate marketing principles, especially senior management. 54) _____
- A) profit objectives
 - B) share of customer
 - C) the marketing mix
 - D) internal marketing
 - E) strategic planning
- 55) Carnival Connections, an online marketing site created by the cruise marketer so that cruise fans could compare notes, is an example of which dimension of holistic marketing? 55) _____
- A) socially responsible marketing
 - B) global marketing
 - C) integrated marketing
 - D) relationship marketing
 - E) internal marketing

- 56) As consumers grow more socially conscious, a number of companies—including Rocky Mountain Soap, Nexen, the Royal Bank, and Patagonia — are using _____ as a way to differentiate themselves from competitors, build consumer preference, and achieve notable sales and profit gains. 56) _____
- A) social-responsibility marketing
 - B) internal marketing
 - C) benefit marketing
 - D) financial accountability marketing
 - E) environmental marketing
- 57) Marketing is not a department so much as a 57) _____
- A) branch of economics.
 - B) function.
 - C) philosophy.
 - D) company orientation.
 - E) branch of management.
- 58) Holistic marketing incorporates _____ which addresses broader concerns and their ethical, environmental, legal, and social context of marketing activities and programs. 58) _____
- A) performance marketing
 - B) social responsibility marketing
 - C) internal marketing
 - D) integrated marketing
 - E) financial marketing
- 59) The _____ holds that the organization's task is to determine the needs, wants, and interests of target markets and to deliver the desired satisfactions more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and the society's well-being. 59) _____
- A) ethically responsible marketing manager
 - B) focused business model
 - C) production-centered business
 - D) societal marketing concept
 - E) customer-centered business
- 60) Which of the following corporate social initiatives supports behaviour-change campaigns? 60) _____
- A) corporate social marketing
 - B) cause-related marketing
 - C) cause marketing
 - D) corporate community involvement
 - E) corporate philanthropy
- 61) When a customer has a(n) _____ need he/she wants a car whose operating cost, not its initial price, is low. 61) _____
- A) stated
 - B) unstated
 - C) delight
 - D) real
 - E) secret
- 62) When a customer has a(n) _____ need the customer wants to be seen by friends as a savvy consumer. 62) _____
- A) secret
 - B) real
 - C) unstated
 - D) stated
 - E) delight

- 63) Marta has a(n) _____ need; she is expecting admiration of her fashion sense from her friends because she has just purchased a skirt in this spring's hottest colour. 63) _____
A) unstated B) secret C) delight D) real E) stated
- 64) When Volvo runs advertisements suggesting that it is the safest car money can buy, it has _____ its market offering. 64) _____
A) questioned
B) segmented
C) profiled
D) demanded
E) positioned
- 65) During market segmentation analysis, the marketer identifies which segments present the greatest opportunity. These segments are called 65) _____
A) demographic markets.
B) primary markets.
C) target markets.
D) focused markets.
E) tertiary markets.
- 66) For each target market, the firm develops a _____. The offering is *positioned* in the minds of the target buyers as delivering some central benefit(s). 66) _____
A) market offering
B) niche offering
C) segment offering
D) social offering
E) value offering
- 67) _____ reflects the perceived tangible and intangible benefits and costs to customers. 67) _____
A) Loyalty
B) Comparison shopping
C) Value
D) Expectations
E) Satisfaction
- 68) If a marketer decides to use warehouses, transportation companies, banks, and insurance companies to facilitate transactions with potential buyers, the marketer is using what is called a 68) _____
A) distribution channel.
B) intermediary channel.
C) relationship channel.
D) service channel.
E) brand channel.
- 69) _____ includes all the actual and potential rival offerings and substitutes that a buyer might consider. 69) _____
A) The supply chain
B) The product offering
C) A value proposition
D) Competition
E) The marketing environment

- 70) The _____ includes the immediate actors involved in producing, distributing, and promoting the offering. The main actors are the company, suppliers, distributors, dealers, and the target customers. 70) _____
- A) management environment
 - B) operations environment
 - C) tactical environment
 - D) strategic environment
 - E) task environment
- 71) The broad environment consists of six components; one of which is the 71) _____
- A) promotion environment.
 - B) distribution environment.
 - C) service supplier environment.
 - D) demographic environment.
 - E) investment environment.
- 72) The shift to digital technology fueling the merging of the computing and consumer-electronics industries is an example of which major societal force? 72) _____
- A) industry convergence
 - B) deregulation
 - C) globalization
 - D) disintermediation
 - E) consumer resistance
- 73) The fact that business buyers in today's marketplace can sometimes run a reverse auction is an example of which new consumer capability? 73) _____
- A) greater ease in interacting and placing and receiving orders
 - B) an ability to compare notes on products and services
 - C) a substantial increase in buying power
 - D) a great amount of information about practically everything
 - E) a greater variety of available goods and services
- 74) Which of the following is the best example of consumers' amplified voice to influence peer and public opinion? 74) _____
- A) social media such as MySpace and Flickr
 - B) the ability to access online newspapers from anywhere in the world
 - C) Amazon.com branching into retail sales of clothing and accessories
 - D) reverse auctions in which sellers compete to capture business
 - E) auto enthusiasts talking about chrome rims at CarSpace.com
- 75) Companies as diverse as General Motors and McDonald's are embracing which new company capability to communicate with the public, customers, and employees? 75) _____
- A) Corporate blogging
 - B) Factory customization
 - C) Online and offline "buzz"
 - D) Private intranets
 - E) Internet training products

- 76) Which type of marketing organization were 20 percent more likely to deliver revenue growth and profitability? 76) _____
- A) Marketing Masters
 - B) Brand Builders
 - C) Growth Champions
 - D) Senior Counselors
 - E) Best Practices Advisors
- 77) A specific set of tasks make up successful marketing management and marketing leadership. The first task for a company is to 77) _____
- A) build strong brands.
 - B) shape the market offerings.
 - C) deliver value.
 - D) connect with customers.
 - E) develop marketing strategies and plans.
- 78) At the heart of any marketing program is the _____ —the firm's tangible offering to the market. 78) _____
- A) product
 - B) packaging
 - C) service offer
 - D) auxiliary offer
 - E) sales support team
- 79) An integrated marketing communications program that maximizes the individual and collective contribution of all communication activities achieves which of the marketing management tasks? 79) _____
- A) delivering value
 - B) communicating value
 - C) building strong brands
 - D) capturing market insights
 - E) creating long-term growth
- 80) Marketing evaluation and _____ processes are necessary to understand the efficiency and effectiveness of marketing activities and how both could be improved. 80) _____
- A) measurement
 - B) consumer behaviour
 - C) control
 - D) feedback
 - E) analysis

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 81) A short definition of marketing is "meeting needs profitably." 81) _____
- 82) Value marketing is the "art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value." 82) _____
- 83) Celebrity marketing is a major business. 83) _____
- 84) The production, packaging, and distribution of information is one of our society's major industries. 84) _____

- 85) Services constitute the bulk of most countries' production and marketing effort. 85) _____
- 86) Services have increased from just over half of Canada's GDP in 1961 to about 70 percent today. 86) _____
- 87) "Friends Don't Let Friends Drive Drunk," is an example of marketing an experience to an interested audience. 87) _____
- 88) Unwholesome demand occurs when consumers dislike the product and may even pay a price to avoid it. 88) _____
- 89) When consumers share a strong need that cannot be satisfied by an existing product they are engaged in latent demand. 89) _____
- 90) Companies selling goods and services in the global marketplace have the advantage of being able to sell the goods and services in almost the same way as they do in their domestic market. 90) _____
- 91) A marketplace is physical, as when you shop in a store. 91) _____
- 92) The Industrial Age was characterized by mass production and mass consumption, stores stuffed with inventory, ads everywhere, and rampant discounting. 92) _____
- 93) Regulation of industries has created greater competition and growth opportunities because the playing field has been leveled. 93) _____
- 94) Industry boundaries are blurring at an incredible rate as companies are recognizing that new opportunities lie at the intersection of two or more industries. 94) _____
- 95) The marketing concept is one of the oldest concepts in business. 95) _____
- 96) The selling concept holds that consumers will favour those products that offer the most quality, performance, or innovative features. 96) _____
- 97) The marketing concept stresses a customer-centred approach to marketing. 97) _____
- 98) The marketing concept is based on the development, design, and implementation of marketing programs, processes, and activities that recognizes their breadth and interdependencies. 98) _____
- 99) Relationship marketing has the aim of building mutually satisfying long-term relationships with key parties. 99) _____
- 100) A marketing network consists of the company and its supporting stakeholders with whom it has built mutually profitable business relationships. 100) _____
- 101) The marketing mix component called *promotion* includes such items as product variety, design, packaging, services, and warranties. 101) _____
- 102) When a marketer makes decisions involving channels, assortments, locations, and transportation, the marketer is making what are called *place decisions*. 102) _____

- 103) Advertising, sales promotion, and direct marketing are all part of what is called the *offering mix*. 103) _____
- 104) The four dimensions of SIVA represent the sellers' view of the marketing tools available for influencing buyers. 104) _____
- 105) Internal marketing is an appropriate practice to be used in holistic marketing. 105) _____
- 106) Sustainability has become a lesser corporate concern in the face of challenging economical forces. 106) _____
- 107) The societal marketing concept holds that the organization's task is to determine the needs, wants, and interests of target markets and to deliver the desired satisfactions more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and the society's well-being. 107) _____
- 108) McDonald's has decided to engage in cause-related marketing. An appropriate action would be to sponsor an endangered species at a national or city zoo. 108) _____
- 109) Wants are basic human requirements such as food or air. 109) _____
- 110) Demands are wants for specific products backed by an ability to pay. 110) _____
- 111) The customer indicates that he or she wants an inexpensive car. This would be an illustration of a delight need. 111) _____
- 112) An unstated need occurs when a consumer expects good service from a dealer. 112) _____
- 113) Most marketers satisfy everyone in a market—that's how they stay in business. 113) _____
- 114) The customer value triad consists of a combination of quality, service, and price. 114) _____
- 115) A distribution channel includes distributors, wholesalers, retailers, and agents that display, sell, or deliver the physical product or service(s) to the buyer or user. 115) _____
- 116) The main actors in the task environment are the components of demographics, economics, physical setting, technology, the political-legal system, and the social-cultural arena. 116) _____
- 117) Companies address needs by putting forth a value proposition, a set of benefits they offer to customers to satisfy their needs. 117) _____
- 118) Today, there is an increasing focus on profitable transactions as the way to ensure customer lifetime value. 118) _____
- 119) To understand what is happening inside and outside the company, the company needs a reliable marketing information system. 119) _____
- 120) Because of surprises and disappointments that can occur as marketing plans are implemented, a company needs feedback and control to understand the efficiency and effectiveness of marketing activities. 120) _____

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 121) In your own words provide both a social definition and managerial definition of marketing. What is the limitation of understanding only the managerial definition? 121) _____
- 122) How is marketing done? Explain why, increasingly, marketing is not done only by the marketing department. 122) _____
- 123) Consider what advantages consumers have today when embarking on a marketing transaction that they didn't have yesterday. Which of these advantages would factor in the search for and purchase of a new automobile? 123) _____
- 124) The marketplace isn't what it used to be. List and briefly discuss what new behaviours, new opportunities, and new challenges await the marketer in the twenty-first century. 124) _____
- 125) Discuss the concept of disintermediation and provide an example. 125) _____
- 126) Discuss the demand states for bifocal contact lenses. 126) _____
- 127) New terms are now being used to describe where marketing is done. Using the automobile market, describe automotive buying behaviour for a: (1) marketplace, (2) marketspace, and (3) metamarket. 127) _____
- 128) Arthur Jones has decided to build his manufacturing business (lawn mowers) around the production concept. If this approach is taken, what will be Mr. Jones' primary areas of concentration as he builds his business? 128) _____
- 129) Illustrate the differences between a *reactive market orientation* and a *proactive marketing orientation*. Use two companies from the tennis shoe industry to exemplify the differences between the concepts. 129) _____
- 130) The Internet has given today's companies a new set of capabilities. Among those capabilities is the ability to operate a new information channel. Name a marketer that has embraced these new capabilities and describe specific ways in which this marketer capitalizes on the internet as a powerful information channel. 130) _____
- 131) The ultimate outcome of relationship marketing is the building of a unique company asset called a *marketing network*. What would be the parts of a marketing network for motorcycle company such as Harley-Davidson? 131) _____
- 132) Nahid Gupta has been given the task of developing a portion of her company's marketing mix. Specifically, Ms. Gupta has been given the responsibility for auditing all of the product area's various components. List all the areas that will most likely be included in such an audit. 132) _____

- 133) The four Ps represent the seller's view of marketing tools. A complementary breakdown of marketing activities has been proposed that centres on customers. Its four dimensions (SIVA) and the corresponding customer questions could be applied to any marketer. Match the four dimensions to their corresponding customer questions and then answer the questions from the perspective of a Carnival Connections customer. 133) _____
- 134) According to information provided in the chapter, McDonald's has been involved in a variety of corporate social initiatives. Please give an example of how McDonald's might initiate cause-related marketing. In your answer be sure to define what cause-related marketing is. 134) _____
- 135) You have been given the assignment of justifying social-responsibility marketing to your board of directors. What arguments would you make in favour of such a proposal? 135) _____
- 136) Consumers often have many needs that are not readily obvious. Just observing their behaviour inside a retail store is not enough to get a true feel for their "needs." List and briefly supply and example for each of the five types of needs that most consumers have. 136) _____
- 137) Hbc knows that to reach its target markets three kinds of marketing channels may be used. What are these three marketing channels and how might Hbc use each of them? 137) _____
- 138) Holistic marketing incorporates internal marketing, ensuring that everyone in the organization embraces appropriate marketing principles. Discuss the ways in which the Purchasing and Accounting departments of a company be more customer-minded. 138) _____
- 139) Name a Canadian marketer and describe the ways in which they have embraced social-responsibility marketing. 139) _____
- 140) With the holistic marketing philosophy as a backdrop, successful marketing is accomplished through specific tasks. Choose a well-known product. and discuss some of the marketing tasks that led to building a strong brand. 140) _____

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

- 141) Marketing has been described being both an "art" and a "science. Discuss the differences and similarities between these two marketing thrusts. Provide your theoretical response and a "real-life" example where you have seen both processes work effectively at creating customer value and loyalty.
- 142) Marketing has often been defined in terms of satisfying customers' needs and wants. Critics maintain that marketing does much more than satisfying customers' needs and wants and, in fact, create needs and wants that did not exist before. According to these critics, marketers encourage consumers to spend more money than they should on goods and services they really do not need. What is your opinion of this on-going debate? Take a stance and defend your position using examples of companies that you perceive to have created or satisfied customer needs.
- 143) Illustrate the differences between a reactive marketing orientation and a proactive marketing orientation. Give an example of a company that uses a proactive marketing orientation.

- 144) Marketers are skilled in stimulating demand for a company's products, but this is too limited a view of the tasks they perform. Just as production and logistics professionals are responsible for supply management, marketers are responsible for demand management. Marketing managers seek to influence the level, timing, and composition of demand to meet the organization's objectives. List, briefly characterize, and supply an example for each of the eight demand states described in the text.
- 145) Customers today perceive fewer real product differences and show less brand loyalty. They are showing greater price sensitivity in their search for value. What new consumer capabilities are responsible for this mindset?
- 146) The competing concepts under which organizations have conducted marketing activities include: the production concept, product concept, selling concept, marketing concept, and holistic marketing concept. Evaluate the advantages and disadvantages of each concept as defined and presented in your textbook. Which concept do you believe is the most effective? Why?
- 147) Increasingly, a key goal of marketing is to develop deep, enduring relationships with all people or organizations that could directly or indirectly affect the success of the firm's marketing activities. *Relationship marketing* has the aim of building mutually satisfying long-term relations with key parties—customers, suppliers, distributors, and other marketing partners—in order to earn and retain their business.
- Discuss the merits of relationship marketing. Describe in detail a company who is in business today that models relationship marketing.
- 148) We can distinguish among five types of customer needs. List and provide an example of each of those customer needs.
- 149) Distinguish between the concepts of value and satisfaction, using an example from one of your own recent marketing exchanges.
- 150) Marketing people are involved in marketing ten types of entities. List and briefly characterize those entities.

Answer Key

Testname: UNTITLED1

- 1) D
Skill: General Concept
- 2) E
Skill: General Concept
- 3) A
Skill: General Concept
- 4) C
Skill: General Concept
- 5) C
Skill: General Concept
- 6) A
Skill: Application
- 7) D
Skill: General Concept
- 8) A
Skill: General Concept
- 9) B
Skill: Application
- 10) B
Skill: General Concept
- 11) A
Skill: General Concept
- 12) D
Skill: General Concept
- 13) C
Skill: General Concept
- 14) D
Skill: General Concept
- 15) E
Skill: General Concept
- 16) E
Skill: General Concept
- 17) C
Skill: Application
- 18) A
Skill: Application
- 19) D
Skill: Application
- 20) E
Skill: Application
- 21) B
Skill: General Concept
- 22) A
Skill: General Concept
- 23) E
Skill: General Concept

Answer Key

Testname: UNTITLED1

- 24) E
Skill: General Concept
- 25) D
Skill: General Concept
- 26) E
Skill: Application
- 27) E
Skill: General Concept
- 28) E
Skill: General Concept
- 29) B
Skill: General Concept
- 30) A
Skill: General Concept
- 31) B
Skill: General Concept
- 32) B
Skill: General Concept
- 33) C
Skill: General Concept
- 34) D
Skill: General Concept
- 35) C
Skill: General Concept
- 36) B
Skill: Application
- 37) A
Skill: Application
- 38) B
Skill: Application
- 39) C
Skill: Application
- 40) A
Skill: Application
- 41) E
Skill: General Concept
- 42) E
Skill: General Concept
- 43) B
Skill: General Concept
- 44) B
Skill: General Concept
- 45) C
Skill: General Concept
- 46) A
Skill: General Concept

Answer Key

Testname: UNTITLED1

- 47) A
Skill: General Concept
- 48) E
Skill: General Concept
- 49) A
Skill: General Concept
- 50) D
Skill: General Concept
- 51) B
Skill: General Concept
- 52) C
Skill: General Concept
- 53) C
Skill: General Concept
- 54) D
Skill: General Concept
- 55) C
Skill: Application
- 56) A
Skill: Application
- 57) D
Skill: General Concept
- 58) B
Skill: General Concept
- 59) D
Skill: General Concept
- 60) A
Skill: General Concept
- 61) D
Skill: General Concept
- 62) A
Skill: General Concept
- 63) B
Skill: Application
- 64) E
Skill: Application
- 65) C
Skill: General Concept
- 66) A
Skill: General Concept
- 67) C
Skill: General Concept
- 68) D
Skill: General Concept
- 69) D
Skill: General Concept

Answer Key

Testname: UNTITLED1

- 70) E
Skill: General Concept
- 71) D
Skill: General Concept
- 72) A
Skill: General Concept
- 73) C
Skill: General Concept
- 74) A
Skill: Application
- 75) A
Skill: General Concept
- 76) C
Skill: General Concept
- 77) E
Skill: General Concept
- 78) A
Skill: General Concept
- 79) B
Skill: General Concept
- 80) C
Skill: General Concept
- 81) TRUE
Skill: General Concept
- 82) FALSE
Skill: General Concept
- 83) TRUE
Skill: General Concept
- 84) TRUE
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- 85) FALSE
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- 86) TRUE
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- 87) FALSE
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- 88) FALSE
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- 89) TRUE
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- 90) FALSE
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- 91) FALSE
Skill: General Concept
- 92) TRUE
Skill: General Concept

Answer Key

Testname: UNTITLED1

- 93) FALSE
Skill: General Concept
- 94) TRUE
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- 95) FALSE
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- 96) FALSE
Skill: General Concept
- 97) TRUE
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- 98) FALSE
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- 99) TRUE
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- 100) TRUE
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- 101) FALSE
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- 107) TRUE
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- 108) TRUE
Skill: General Concept
- 109) FALSE
Skill: General Concept
- 110) TRUE
Skill: General Concept
- 111) FALSE
Skill: General Concept
- 112) TRUE
Skill: General Concept
- 113) FALSE
Skill: General Concept
- 114) TRUE
Skill: General Concept
- 115) TRUE
Skill: General Concept

Answer Key

Testname: UNTITLED1

- 116) FALSE
Skill: General Concept
- 117) TRUE
Skill: General Concept
- 118) FALSE
Skill: General Concept
- 119) TRUE
Skill: General Concept
- 120) TRUE
Skill: General Concept
- 121) The chapter provides the social definition as follows: "Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others." The managerial definition is "the art of selling products". However, selling is only the tip of the marketing iceberg.
Skill: Application
- 122) Marketing needs to affect every aspect of the customer experience, which means that marketers must properly manage all possible touch points: store layouts, package designs, product functions, employee training, and shipping and logistics methods. Marketing must also be heavily involved in key general-management activities, such as product innovation and new-business development.
Skill: Application
- 123) Responses to this question should include: (1) a substantial increase in buying power, (2) a greater variety of available goods and services, (3) a great amount of information about practically anything, (4) a greater ease in interacting and placing and receiving orders, and (5) an ability to compare notes on products and services.
Skill: Application
- 124) Responses to this question should include: (1) network information technology, (2) globalization, (3) deregulation, (4) privatization, (5) heightened competition, (6) industry convergence, (7) customer resistance, (8) retail transformation, and (9) disintermediation.
Skill: Application
- 125) Disintermediation grew out of the rush to embrace the dot.coms and e-commerce. Essentially, the dot.coms removed many of the traditional intermediaries that brought goods and services to consumers by encouraging consumers to deal directly with the dot.coms via the Internet. Examples could include Amazon, Dell, and eBay. "Brick-and-click" businesses eventually brought some of the intermediaries back through a process called *reintermediation*.
Skill: Application
- 126) Student answers may vary but a possible answer includes the following: (1) negative demand—many people don't want to admit they need bifocals, (2) nonexistent demand—when bifocal lenses were first introduced, people didn't know they existed, (3) latent demand—before they were introduced, many people thought such a product would be nice, but didn't think it would ever exist, (4) declining demand—this will occur when something better is invented, such as surgery to repair the eyes, (5) irregular demand—the consumer perceives a need for eye care devices only periodically, possibly when they begin having trouble seeing, (6) full demand—the manufacturers of the lenses are making all they possibly can, (7) overfull demand—the manufacturers of the lenses can't make enough and inventories are low, and (8) unwholesome demand—seeking alternatives, consumers may find that alternatives have undesirable social consequences.
Skill: Application

Answer Key

Testname: UNTITLED1

- 127) Responses to this question should include a reference to the following: (1) marketplace—shopping for an automobile at a dealer's lot, (2) marketpace—shopping for an automobile via the Internet, eBay, or even designing your own car via a manufacturer's Web site, and (3) metamarket —(a cluster of complementary products and services that are closely related in the customer's mind but are spread across a diverse set of industries) that might include insurance companies, the racing industry, the travel industry, the customization industry, et cetera. Individual answers might vary.
Skill: Application
- 128) This orientation holds that consumers will prefer products that are widely available and inexpensive. Managers of production-oriented businesses concentrate on high production efficiency, low costs, and mass distribution. This approach is also used when a company wants to expand the market. Students may use these facts as they design their answer.
Skill: Application
- 129) In a *reactive market orientation* a company such as Reebok might be content to keep up with understanding and meeting customers' expressed needs. In a *proactive market orientation* a company like Nike might prefer to make a practice of researching and imagining latent needs through a "probe-and-learn" process. Students' answers may vary but the basic concepts of reaction and proactivity should be clear in answers.
Skill: Application
- 130) Companies can use the Internet as a powerful new information and sales channel, augmenting their geographical reach to inform customers and promote businesses and products worldwide. By establishing one or more Web sites, a company can list its products and services, history, business philosophy, job opportunities, and other information of interest to visitors. Companies can also collect fuller and richer information about markets, customers, prospects, and competitors.
Skill: Application
- 131) A marketing network consists of the company and its supporting stakeholders. These stakeholders (in Harley-Davidson's case) might be customers, employees, suppliers, distributors, retailers, repair services, ad agencies, lobby groups, and motorcycle support clubs. The operating principle is simple: Build an effective network of relationships with key stakeholders, and profits will follow.
Skill: Application
- 132) Areas that will most likely be part of Ms. Gupta's audit are product variety, quality, design, features, brand names, packaging, sizes, services, warranties, and returns. To see a more complete diagram of the four P process see Figure 1.6.
Skill: Application
- 133) Solution: How can I solve my problem? Information: Where can I learn more about it? Value: What is my total sacrifice to get this solution? Access: Where can I find it?
Students should be able to match aspects of Carnivals online marketing activity to consumer benefits.
Skill: Application
- 134) Cause-related marketing is donating a percentage of revenues to a specific cause based on revenue occurring during the announced period of support. The example used in the chapter noted McDonald's earmarking of \$1 for Ronald McDonald Children's Charities from the sale of every Big Mac and pizza sold on McHappy Day. Students may create additional examples but each should meet the parameters set above.
Skill: Application
- 135) Marketers must carefully consider their role in broader terms and the ethical, environmental, legal, and social context of their activities. Building social and ethical considerations into marketing practices means balancing the often conflicting criteria of company profits, consumer want satisfaction, and public interest. As goods become more commoditized and as consumers grow more socially conscious, social responsibility is a way to differentiate from competitors, build consumer preference, and achieve notable sales and profit gains. Customers will increasingly look for signs of good corporate citizenship.
Skill: Application

Answer Key

Testname: UNTITLED1

- 136) The various consumer needs are: (1) stated needs —what the consumer says he or she wants —a car, (2) real needs —the customer wants a car whose operating costs, not its initial price, is low, (3) unstated needs—the customer expects good service and honesty from the dealer, (4) delight needs —the customer would like a DVD player set-up thrown in to guarantee a quick signing of the purchase agreement, and (5) secret needs —inner fantasies such as gaining prestige with members of the opposite sex or friends.
Skill: Application
- 137) The three marketing channels are communication, distribution, and service channels. Hbc could use newspaper advertising to communicate price specials to consumers (communication channel), use wholesalers to assemble merchandise assortments to be sold in the Hbc stores (distribution channels), and use transportation companies (service channels) to facilitate transactions.
Skill: Application
- 138) The Purchasing department can proactively search for the best suppliers; build long-term relations with fewer but more reliable high-quality suppliers; and not compromise quality for price savings. The Accounting department can prepare periodic "profitability" reports by product, market segment, geographic areas, order sizes, channels, and individual customers. They can also prepare invoices tailored to customer needs and answer customer queries courteously and quickly.
Skill: Application
- 139) Today, marketers must carefully consider their role in broader terms and the ethical, environmental, legal, and social context of their activities. Students could use Table 1.2 as a template to follow when describing the corporate social initiatives of a Canadian marketer. Many will have multiple activities that could be classed as corporate social marketing; cause marketing; cause-related marketing; corporate philanthropy; corporate community involvement; and socially responsible business practices.
Skill: Application
- 140) Any successful company would have built its brands by understanding their strengths and weaknesses with customers. A company must determine a market and then develop a positioning strategy. They must also pay close attention to competitors, anticipating their moves and knowing how to react quickly and decisively.
Skill: Application
- 141) The student should demonstrate his or her understanding that the marketer must use data to understand customer needs and translate this understanding into properly designed products and services. They should also see the "art" side of human behaviour, where the customer makes decisions based on emotions, such as the perceived benefits.
Skill: General Concept
- 142) The student should understand the processes whereby the marketer fills a customer need and situations where a need is created. For example, automobiles may be a basic "need," but, if that automobile has a 450 Hp engine it may be very impractical. However, that car may have been "created" for those buyers who like the idea of having a "muscle car" and imagine themselves drag racing or running the 1/4 mile in record time off a set of traffic lights.
Skill: General Concept
- 143) In a reactive market orientation a company might be content to keep meeting customers' expressed needs. In a proactive marketing orientation, companies make a practice of researching or imagining latent needs through a "probe-and-learn" process. Students' answers may vary but their comprehension of the basic concepts of reaction and proactivity should be clear.
Skill: General Concept

Answer Key

Testname: UNTITLED1

144) The eight different demand states are (1) negative demand —consumers dislike the product and may even pay a price to avoid it, (2) nonexistent demand —consumers may be unaware or uninterested in the product, (3) latent demand —consumers may share a strong need that cannot be satisfied by an existing product, (4) declining demand —consumers begin to buy the product less frequently or not at all, (5) irregular demand—consumer purchases vary on a seasonal, monthly, weekly, daily, or even hourly basis, (6) full demand—consumers are adequately buying all products put into the marketplace, (7) overfull demand—more consumers would like to buy the product than can be satisfied, and (8) unwholesome demand —consumers may be attracted to products that have undesirable social consequences.

Skill: General Concept

145) Students should respond with the following key shifts in consumer capabilities, and provide examples to support each point:

A substantial increase in buying power; a greater variety of available goods and services; a great amount of information about practically everything; greater ease in interacting and placing orders; an ability to compare products and services; and an amplified voice to influence opinion.

Skill: General Concept

146) Although students will be expected to research each concept, they should conclude the most effective concept is the holistic marketing concept, where companies need to have a more complete, cohesive approach that goes beyond traditional applications of the marketing concept.

Going over the Nike case in the chapter will bring life to this concept.

Skill: General Concept

147) Students should understand the relationship between any supplier and customer is not just in the mechanics of the transaction, but more importantly how the customer is treated during the transaction. The better the relationship the more apt the customer will remain loyal. They should pick a company that has served them well and made them feel special each and every time.

Skill: General Concept

148) The five types of customer needs are (note the example from the text): (1) stated needs —the customer wants an inexpensive car, (2) real needs—the customer wants a car whose operating cost, not its initial price is low, (3) unstated needs—the customer expects good service from the dealer, (4) delight needs—the customer would like the dealer to include an onboard navigation system, and (5) secret needs —the customer wants to be seen by friends as a savvy consumer.

Skill: General Concept

149) The offering will be successful if it delivers value and satisfaction to the target buyer. The buyer chooses between different offerings on the basis of which is perceived to deliver the most value. *Value* reflects the perceived tangible and intangible benefits and costs to customers. Value can be seen as primarily a combination of quality, service, and price (called the *customer value triad*). *Satisfaction* reflects a person's comparative judgments resulting from a product's perceived performance (or outcome) in relation to his or her expectations.

Skill: General Concept

150) The types of entities that marketing people are involved in marketing are (1) goods—physical goods, (2) services —hotels and car rental, (3) events—time-based events such as trade shows, (4) experiences —Walt Disney's Magic Kingdom, (5) persons—celebrity marketing, (6) places—cities, states, regions, and even whole nations, (7) properties —intangible rights of ownership of either real property or financial property, (8) organizations—corporate identity, (9) information—information produced and marketed as a product, and (10) ideas —marketing the basic idea of a market offering.

Skill: General Concept